

SAN DIEGO TOURISM MARKETING DISTRICT FY2012 REPORT OF ACTIVITIES



**Budget and Finance Committee Meeting
April 20, 2011**

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The Tourism Marketing District provides a mechanism to pool resources and empower businesses with local expertise and knowledge to recommend programs to develop tourism and provide the best return on investment.



TMD Basics

- ❖ TMD is citywide
- ❖ Hotels with 70 or more rooms are assessed
- ❖ Assessment is 2% of gross room rent
- ❖ Assessments may be passed onto transients
- ❖ Hotel operators remit assessments monthly
- ❖ SDTMD Corporation represents assessed hotels
- ❖ Implements TMD programs per 5 year agreement



TMD Progress

- ❖ May 2007 - TMD procedural ordinance
- ❖ Sep 2007 - TMD Management Plan
- ❖ Jan 2008 - TMD Established for 5 Years
- ❖ Apr 2008 - Agreement with SDTPC
- ❖ Jul 2008 - Programs Implemented
- ❖ Apr 2009 - Studies show Market Share Up
- ❖ Jun 2010 - FY2011 Budget Approved
- ❖ Mar 2011 - FY2010 ROI Audits Completed



SDTMD FY2010 Funding Returns

Organization	Reimbursed	Room Nights	Hotel Revenue	ROI
CONVIS: On Line Travel Agencies	\$1,183,123	935,583	\$109,743,886	92.76
CONVIS: FY 2010 Fall Stimulus	\$941,360	447,359	\$62,760,471	66.67
CONVIS: LA Spring/Summer Stimulus	\$1,028,400	545,513	\$68,450,304	66.56
CA State Games	\$41,579	14,080	\$1,844,480	44.36
SD Nat Hist Museum: Body World	\$109,496	19,915	\$2,875,925	26.27
CONVIS/SDCCC: NTBA	\$150,000	12,733	\$2,915,857	19.44
CONVIS BASE	\$11,036,605	1,153,547	\$181,000,322	16.40
The Old Globe	\$21,967	2,984	\$347,806	15.83
CONVIS: National Cable	\$2,886,868	345,642	\$40,849,182	14.15
SD Bowl Game Association	\$450,000	55,494	\$5,993,352	13.32
SD Crew Classic	\$135,000	5,842	\$753,618	5.58
SD Sports Commission	\$382,500	17,292	\$2,027,250	5.30
Craft Brewers Guild: Beer Week	\$22,320	1,050	\$115,500	5.17
SD Bay Wine and Food Festival	\$45,000	1,454	\$216,000	4.80
MCCSN: Multicultural FAM	\$88,200	3,330	\$396,270	4.49
SD Film Commission (crews only)	\$655,200	16,624	\$1,991,808	3.04
CONVIS: Restaurant Week	\$43,787	709	\$97,877	2.24
SD NORTH CVB	\$2,174,144	7,069	\$869,658	0.40
Accessible San Diego	\$94,500	core	core	n/a
Totals	\$21,490,049	3,586,220	\$483,249,566	22.48

Economic Environment

- ❖ Travel demand on sustained recovery track
- ❖ San Diego ranked 7th highest of top 25 U.S. markets for RevPAR in FY2010
- ❖ TMDs in California (57 as of April 2011)
- ❖ FY2012 Forecast Growth
 - Room Demand +2.4%
 - ADR +4.6%
 - RevPAR +7.1%



Funding Percentages

The Management Plan specifies these overall funding categories

- ❖ 50% San Diego Convention & Visitors Bureau
- ❖ 10% San Diego North Convention & Visitors Bureau
- ❖ 32% Variable Funding by Competitive Application
- ❖ 5% Opportunity/Catastrophe Reserve (incl Interest)
- ❖ 3% SDTMD and City Administration

FY2012 Budget

Estimated Funds Available	\$27.97 M
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❖ TMD Assessments	\$26.09 M
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❖ FY2011 Carryover	\$ 1.84 M
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❖ FY2012 Interest	\$ 0.04 M
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Allocations (including any FY2011 carryovers)

❖ San Diego ConVis	\$13.05 M
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❖ San Diego North ConVis	\$ 2.87 M
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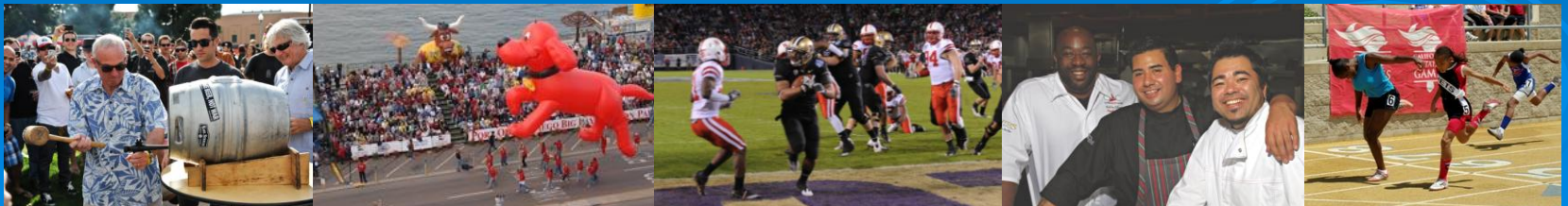
❖ Opportunity Catastrophe	\$ 1.66 M
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❖ SDTPC & City Admin	\$ 0.81 M
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❖ Variable Funding	\$ 9.58 M
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Competitive Application for Variable Funding

- ❖ Return on Investment (ROI) analysis
- ❖ Application format
- ❖ Process refinements
- ❖ Notification
- ❖ Board meetings and presentations
- ❖ Scoring and Allocation Procedures



Funding Recommendations

➤ Accessible San Diego Core Program	\$ 75,000
➤ Balboa Park 2015 Centennial Planning	\$ 300,000
➤ California State Games	\$ 100,000
➤ Comic-Con FY2012	\$ 100,000
➤ ConVis British Airways Promotion	\$ 200,000
➤ ConVis Integrated Incremental	\$ 6,500,000
➤ ConVis PCMA (Prof. Conv. Mgmt. Assoc.)	\$ 550,000
➤ Competitor Group R&R Marathon	\$ 250,000
➤ Craft Brewers Guild Beer Week	\$ 78,000
➤ Maritime Museum "Three Voyages to Paradise"	\$ 100,000
➤ San Diego Bayfair	\$ 50,000
➤ San Diego Bay Wine and Food Festival	\$ 75,000
➤ San Diego Bowl Game Association	\$ 450,000
➤ San Diego Crew Classic	\$ 190,000
➤ San Diego Sports Commission	<u>\$ 561,800</u>
➤ Total Including \$1,228,612 from Opportunity/Catastrophe Reserve	\$ 9,579,800

FY2012 Projected Results

Entity	Allocation	Room Nights	Room Rev	ROI
SD CONVIS Integrated Program	\$19,387,500	2,611,639	\$412,952,358	21.30
SD North CVB	\$2,577,500	176,844	\$23,492,100	9.11
Accessible SD: Core Budget	\$75,000	core	core	core
Balboa Park 2015 Centennial	\$300,000	pending	pending	pending
CA State Games	\$100,000	24,900	\$3,100,050	25.00
Comic Con	\$100,000	57,000	\$9,012,840	90.13
CONVIS: British Air Promotion	\$200,000	40,646	\$5,090,911	25.45
CONVIS: PCMA	\$550,000	10,600	\$2,385,000	3.00
Comp. Group: RR Marathon	\$250,000	42,623	\$7,021,713	28.09
Craft Brewers Guild Beer Week	\$78,000	2,500	\$309,050	3.96
Maritime Museum of SD	\$100,000	31,339	\$3,886,036	38.86
SD Bayfair	\$50,000	3,900	\$487,500	9.75
SD Bay Wine & Food Fest	\$75,000	3,000	\$447,000	5.96
SD Bowl Game Assoc	\$450,000	47,000	\$5,170,000	11.49
San Diego Crew Classic	\$190,000	7,953	\$1,026,000	5.40
SD Sports Commission	\$561,800	40,705	\$5,098,301	9.07
TOTAL	\$25,044,800	3,100,649	\$479,478,859	19.14

QUESTIONS?

